

**Table 1**

**Gross Domestic Product and its main expenditure components  
and the main price indicators  
(year-on-year rate of change (%))**

	<u>2004<sup>#</sup></u>	<u>2005<sup>#</sup></u>	<u>2005</u>				<u>2006</u>
			<u>Q1<sup>#</sup></u>	<u>Q2<sup>#</sup></u>	<u>Q3<sup>#</sup></u>	<u>Q4<sup>#</sup></u>	<u>Q1<sup>+</sup></u>
<i>Change in real terms of GDP and its main expenditure components (%)</i>							
Private consumption expenditure	7.3	3.4	4.1 (0.4)	2.4 (0.5)	3.6 (1.3)	3.4 (0.9)	4.5 (1.7)
Government consumption expenditure	0.7	-3.1	-4.6 (-2.6)	-2.3 (-0.7)	-1.6 (0.3)	-3.8 (-1.0)	1.3 (2.7)
Gross domestic fixed capital formation	3.0	4.1	0.4 (N.A.)	4.9 (N.A.)	2.8 (N.A.)	8.4 (N.A.)	8.5 (N.A.)
<i>of which :</i>							
Building and construction	-11.7	-6.1	-1.0	-7.5	-5.2	-10.7	-8.7
Machinery, equipment and computer software	11.0	10.6	0.8	10.7	7.1	24.0	23.3
Total exports of goods	15.3	11.2	8.9 (0.1)	11.1 (6.0)	12.8 (3.1)	11.4 (2.2)	14.4 (2.2)
Imports of goods	14.1	8.6	3.8 (1.9)	7.0 (5.1)	11.0 (2.2)	12.0 (2.6)	14.0 (3.3)
Exports of services	17.9	8.7	8.7 (0.4)	9.1 (2.4)	8.9 (4.3)	8.2 (1.1)	8.9 (0.8)
Imports of services	14.6	2.9	6.0 (-2.1)	-0.1 (3.7)	3.5 (0.7)	2.3 (-0.3)	4.8 (0.9)
<b>Gross Domestic Product</b>	<b>8.6</b>	<b>7.3</b>	<b>6.0</b> <b>(1.6)</b>	<b>7.2</b> <b>(2.8)</b>	<b>8.2</b> <b>(2.2)</b>	<b>7.5</b> <b>(0.6)</b>	<b>8.2</b> <b>(2.4)</b>
<i>Change in the main price indicators (%)</i>							
<b>GDP deflator</b>	<b>-3.6</b>	<b>-0.2</b>	<b>-1.4</b> <b>(0.1)</b>	<b>-0.6</b> <b>(0.2)</b>	<b>0.2</b> <b>(*)</b>	<b>0.7</b> <b>(0.5)</b>	<b>-0.4</b> <b>(-1.2)</b>
<b>Composite Consumer Price Index</b>	<b>-0.4</b>	<b>1.0</b>	<b>0.4</b> <b>(0.1)</b>	<b>0.8</b> <b>(0.3)</b>	<b>1.4</b> <b>(0.3)</b>	<b>1.3<sup>@</sup></b> <b>(0.5)<sup>@</sup></b>	<b>1.6<sup>@</sup></b> <b>(0.4)<sup>@</sup></b>
<u>Change in nominal GDP (%)</u>	<b>4.7</b>	<b>7.0</b>	<b>4.6</b>	<b>6.6</b>	<b>8.4</b>	<b>8.2</b>	<b>7.8</b>

Notes : (#) Revised figures.

(+) Preliminary figures.

( ) Seasonally adjusted quarter-to-quarter rate of change.

N.A. Not applicable, as no clear seasonal pattern is found in gross domestic fixed capital formation, due to the presence of considerable short-term fluctuations.

(@) By reference to the new 2004/05-based CPI series.

(\*) Change of less than 0.05%.

**Table 2****Latest economic forecasts for 2006  
(year-on-year rate of change (%))**

	Forecasts for 2006 as released on 22.2.2006 (%)	Latest forecasts for 2006 released on 23.5.2006 (%)
<b>Gross Domestic Product (GDP)</b>		
<i>Real GDP</i>	4 to 5	4 to 5
<i>Nominal GDP</i>	4.5 to 5.5	4.5 to 5.5
<b>Composite Consumer Price Index</b>	2.3*	2.0 <sup>#</sup>
<b>GDP Deflator</b>	0.5	0.5

Notes : (\*) By reference to the old 1999/2000-based CPI series.

(#) By reference to the new 2004/2005-based CPI series.

**Table 3**

**2006 GDP and price forecasts for Hong Kong put out by selected international organisations and private sector analysts**

	Date of release	GDP	Private consumption expenditure ( growth rate	Gross Domestic fixed capital Formation in real	Total Exports of goods of services (% )	Exports of services	Rate of change in consumer prices (%)	Reference source
<b>International organisations:</b>								
IMF	Jan 2006	5.5	--	--	--	--	1.5	Staff Report for the 2005 Article IV Consultation Discussions, 6 Jan 2006.
	Apr 2006	5.5	--	--	--	--	1.8	World Economic Outlook, Apr 2006.
ADB	Apr 2006	5.5	--	--	--	--	2.5	Asian Development Outlook 2006, Apr 2006.
World Bank	Mar 2006	5.3	--	--	--	--	--	East Asia Update, Mar 2006.
<b>Private sector analysts:</b>								
<i>(a) Major local banks</i>								
HSBC	Feb 2006	5.5	3.2	2.5	4.9	6.4	2.2	Apple Daily, 21 Feb 2006.
	Apr 2006	5.5	3.2	2.5	--	--	2.2	Global Economics, Q2 2006.
Standard Chartered Bank	Feb 2006	6	--	--	--	--	2.5	On The Ground - Asia, 21 Feb 2006.
Hang Seng Bank	Dec 2005	5.3	3	2	8.5	6.4	2.3	Hang Seng Economic Monthly, Nov/Dec 2005.
	May 2006	5.3	--	--	--	--	2.2	Hang Seng Bank, 16 May 2006.
Bank of China (HK)	Dec 2005	5	3.3	3	8.5	8	2.5	Economic Review Monthly, Dec 2005.
Bank of East Asia	Jan 2006	5.2	4.5	1	9	6	2.5	Economic Analysis, Jan 2006.
ABN Amro Bank	Feb 2006	4.5	--	--	--	--	3	Asia Vision, 10 Feb 2006.
	May 2006	5.5	--	--	--	--	2.5	Asia Vision, 12 May 2006.
Citigroup	Feb 2006	5	--	--	--	--	2.8	Hong Kong Economics, 9 Feb 2006.
	May 2006	5.7	3.8	3.8	10.6	8.2	2.6	Hong Kong Economics, 17 May 2006.
<i>(b) Investment bank</i>								
JP Morgan Chase	Feb 2006	5.7	--	--	--	--	2	JP Morgan Chase, 16 Feb 2006.
	May 2006	5.8	--	--	--	--	2.2	JP Morgan Chase, 16 May 2006.
Goldman Sachs Asia	Jan 2006	5.4	--	--	--	--	2.8	HK Economic Times, 3 Jan 2006.
	Feb 2006	5.8	--	--	--	--	2.4	Asia-Pacific Economics Flash, 6 Feb 2006.
Morgan Stanley Asia	Nov 2005	5	3	3	--	--	2	Hong Kong Economics, 28 Nov 2005.

**Table 3 (cont'd)**

**2006 GDP and price forecasts for Hong Kong put out by selected international organisations and private sector analysts**

	Date Of release	GDP	Private consumption expenditure ( growth rate	Gross domestic fixed capital formation in real	Total Exports of goods terms (%) )	Exports of services	Rate of change in consumer prices (%)	Reference source
Merrill Lynch	Jan 2006	6	--	--	--	--	3.9	The Asian Market Economist, 16 Jan 2006.
Credit Suisse First Boston	Jan 2006	4.7	3.6	2.5	--	--	2.6	Asian Daily, 10 Jan 2006.
	Mar 2006	5	4.2	3	--	--	2.3	Global Emerging Markets Outlook, Q2 2006, 24 Mar 2006.
Lehman Brothers	Feb 2006	5.5	--	--	--	--	3.4	Asia Ex-Japan Weekly Economic Monitor, 10 Feb 2006.
	May 2006	6	--	--	--	--	3	Global Weekly Economic Monitor, 16 May 2006.
<i>(c) Others</i>								
Economist Intelligence Unit	Feb 2006	4.2	3.5	4	--	--	1.4	Country Forecast, Feb 2006.
	Apr 2006	4.7	3.7	4	--	--	1.4	Country Forecast, Apr 2006.
Hong Kong General Chamber of Commerce	Dec 2005	3.5	--	--	--	--	2.5	Hong Kong Economic Forecast, HKGCC, 2 Dec 2005.
	Feb 2006	4	--	--	--	--	2.5	HKGCC, 14 Feb 2006.
	May 2006	4.5	--	--	--	--	2	HKGCC, 16 May 2006.
Hong Kong University	Jan 2006	5	--	--	--	--	2.5	RTHK Online News, 5 Jan 2006.
	Apr 2006	5 - 6	--	--	--	--	2.5 - 3	Sing Tao Daily, 7 Apr 2006.
Federation of Hong Kong Industries	Jan 2006	5 - 5.5	--	--	--	--	--	Press release, 11 Jan 2006.

**Observation :**

The forecasts of GDP growth in real terms for 2006 from the private sector analysts listed above are mostly in the range of 4.5-6%, averaging at 5.4%.